

**MINUTES
CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
ALD. TODD BANCROFT, CHAIR**

**MONDAY, JANUARY 7, 2019
IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS – 2 EAST MAIN STREET**

1. Call to Order

The meeting was called to order by Chairman Bancroft at 7:19 pm.

2. Roll Call

Present: Ald. Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel, Vitek and Bessner, Lewis.

Absent: None

3. Omnibus Vote – None

Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.

Motion by Ald. Turner, second by Lemke to recommend for approval of Omnibus issues.

Voice Vote: Ayes: Unanimous; Nays: None. Chairman Bancroft did not vote as Chair.

Motion Carried

4. Human Resources

a. Recommendation to approve a Letter of Agreement with Gallagher Benefit Services, Inc.

Jen McMahon, Human Resources Director, explained the process the team undertook to select a benefits consultant. An RFP was sent to nine firms, as well as published in the newspaper and online. Four firms submitted proposals and three interviews were conducted. As a result of this process, the team recommends Gallagher Benefit Services, Inc. The services which will be provided are the same as we currently receive. We are moving away from the incumbent provider and will enjoy a savings of approximately \$1000 per month for 53 months. The \$231,875 price does not include commissions.

Motion by Ald. Stellato, second by Lemke to recommend for approval a Letter of Agreement with Gallagher Benefit Services, Inc.

Voice Vote: Ayes: Unanimous; Nays: None. Ald. Vitek abstained from the voting.

Chairman Bancroft did not vote as Chair. **Motion Carried**

5. Finance Department

*a. Budget Revisions – December, 2018.

b. Recommendation to approve a Proposal with Sikich, LLP to Perform the City's Financial Statement Audits for Fiscal Years 2019 through 2023.

Collen Lavery, Assistant Finance Director, recommends Sikich, LLP to provide the City's audit services. This is a five-year contract with a fixed annual fee of \$73,100. Sikich is the incumbent

auditor and their contract expired as of fiscal year 2018 audit completion. A request for proposal was issued. Scope of services includes:

- Issuing all audit opinions required by the State of Illinois.
- Providing a single audit report if the City receives federal financial assistance greater than \$750,000. It is already known that this threshold will be met.
- Issue separate reports for all of the City's TIFs as well as Police and Fire Pension Funds.

The RFP required two price quotes:

- 1) Base quote which matches the current services - auditor prepares cash flow statements because City staff prepare all other statements.
- 2) Second proposal adds all of the scheduled financial statements, which will allow City staff to begin preparing other reports required at year end. This includes seven TIF statements, the annual financial report, interrogatories for both the Police and Fire Pension Funds, and filing for all grants received by the City, which is required by the Grant Transparency Act and must be filed within 90 days of year end.

The Sikich second proposal also includes advice for accounting issues, and TIF issues, and bond funds to ensure proper transactions.

The selection process considered the quality of each firm, the experience of the audit team which would be assigned, references, and cost. The RFP process looks for value and not necessarily lowest cost. The selection committee was unanimous in their choice of Sikich. The team has been very satisfied with their past service and the City has won awards for excellence in reporting. Additional services added later would incur additional fees.

Motion by Ald. Stellato, second by Lemke to recommend for approval a Letter of Agreement with Gallagher Benefit Services, Inc.

Voice Vote: Ayes: Unanimous; Nays: None. Chairman Bancroft did not vote as Chair.
Motion Carried

6. Adjournment

Motion by Ald. Stellato, second by Ald. Bessner to adjourn the meeting at 7:30 pm

Voice Vote: Ayes: Unanimous; Nays: None. Chairman Bancroft did not vote as Chair.
Motion Carried